



THE WHITE HOUSE
PRESIDENT
GEORGE W. BUSH

 [CLICK HERE TO PRINT](#)

For Immediate Release
Office of the Press Secretary
September 20, 2004

Statement by the Press Secretary

Today, the United States has reached another milestone in the President's effort to combat the proliferation of weapons of mass destruction and the means of their delivery. Over the last nine months, Libya has worked with international organizations and the United States and United Kingdom to eliminate its WMD and longer-range missile programs in a transparent and verifiable manner. Libya's efforts open the path to better relations with the United States and other free nations.

These accomplishments are significant. Libya facilitated the removal of all significant elements of its declared nuclear weapons program, signed the IAEA Additional Protocol, began a process of converting the Rabta facility to a pharmaceutical plant, destroyed chemical munitions and secured chemical agent for destruction under international supervision, declared its chemical agents to the Organization for the Prevention of Chemical Weapons, eliminated its Scud-C missile force, and agreed to eliminate its Scud-B missiles. Libya turned over nuclear weapons documentation, removed highly enriched uranium for its research reactor and equipment for uranium enrichment, allowed international personnel site access, and pledged to halt all military trade with countries of proliferation concern. Revelations by Libya greatly aided the international community's effort to understand and cripple the global black market in the world's most dangerous technologies.

Libya has also agreed to an ongoing trilateral arrangement in which the United States, the United Kingdom and Libya will address any other WMD-related issues as well as to further projects for mutual cooperation such as redirection of Libyan WMD personnel. The progress in US-Libyan relations reflects the cooperation and support exhibited by Libyan officials and experts over the last nine months. As a result, concerns over weapons of mass destruction no longer pose a barrier to the normalization of US-Libyan relations.

At the beginning of this process, the President committed to respond to concrete Libyan actions in good faith, noting that Libya "can regain a secure and respected place among the nations and, over time, better relations with the United States." In recognition of these achievements and our assessment that Libya has continued to meet the standard it set on December 19 to eliminate WMD and MTCR-class missiles and other developments, the President has:

Terminated the national emergency declared in 1986 under the International Emergency Economic Powers Act (IEEPA), and revoked related Executive Orders. This rescinds the remaining economic sanctions under IEEPA and ends the need for Treasury Department licences for trade with Libya. It also permits direct air service and regular charter flights, subject to standard safety and other regulatory requirements. This action also unblocks assets belonging to Libyan and non-Libyan entities

that were frozen when the national emergency was imposed.

Adopted, as a general policy, the strategy of providing a level playing field for US business in Libya through the use of U.S. Government programs such as those administered by the Departments of Agriculture and Commerce, the Export-Import Bank, Overseas Private Insurance Corporation, and Trade Development Agency, as well as to waive the prohibitions on the availability of foreign tax credits. This policy will be furthered through the use of statutory waiver authorities where necessary and in some cases through proposed legislative relief from sanctions that would otherwise stand in the way.

As a result, we expect the families of the victims of Pan Am 103 to receive over \$1 billion in additional compensation from Libya. The determination and courage of the Pan Am 103 families, in almost sixteen years of efforts to hold Libya accountable before the world, contributed greatly to efforts to secure an agreement under which Libya agreed to end all its WMD programs and pledged to end all connections with terrorism.

In conjunction with U.S. action to unblock frozen assets, with respect to the remaining cases brought against it by U.S. victims of terrorism Libya has reaffirmed to us that it has a policy and practice of carrying out agreed settlements and responding in good faith to legal cases brought against it, including court judgments and arbitral awards. We expect Libya to honor this commitment.

The US will continue its dialogue with Libya on human rights, political and economic modernization, and regional political developments. We welcome Libya's engagement with Amnesty International. We also share the European Community's concern over the plight of the Bulgarian medics. Diplomatic engagement and cooperation in education, health care, and scientific training can build the foundation for stronger relations. The United States supports Libya's efforts to reap the benefits of engagement, including prosperity and security for its citizens. As the President stated in December, 2003, "Should Libya pursue internal reform, America will be ready to help its people to build a more free and prosperous country." None of today's actions change Libya's status as a State Sponsor of Terrorism. We remain seriously concerned by the allegations of Libyan involvement in an assassination plot against Crown Prince Abdullah of Saudi Arabia and we have raised our concerns with the Libyan government. These concerns must be addressed. We welcome Libya's formal renunciation of terrorism and Libyan support in the global war against terrorism, but we must establish confidence that Libya has made a strategic decision that is being carried out in practice by all Libyan agencies and officials.

#

Return to this article at:

<http://www.whitehouse.gov/news/releases/2004/09/20040920-8.html>



CLICK HERE TO PRINT